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ARMED SERVICES COMMITTEE ACTION ON THE FISCAL YEAR 1982 DEFENSE AUTHORIZATION BILL

House Armed Services Committee Chairman Melvin Price (D-Ill.) today released the results to date of the committee markup of the mammoth Defense Department authorization bill (H.R. 2970). Chairman Price explained that the committee had completed action on the titles of the bill providing dollar authorizations and personnel ceilings. The only remaining title involves general provisions-various changes in the law affecting the military departments.

As tentatively approved, the \$136 billion bill is \$450 million below the request submitted to Congress by President Reagan in his March budget amendment. The measure, consissent with the committee's earlier recommendation to the Budget Committee, is designed to provide program growth beyond inflation in the investment and readiness areas of the defense budget.

The following table compares the committee bill with the President's budget request:

(in billions)

	President Reagan's budget submission	Committee Recommendation	+ / - Compared to President 1/
Procurement	\$51.8	\$52.4	+ .65
RDT&E	21.3	20.2	- 1.1
0 & M	63.3	63.3	0
Civil Defense TOTAL <u>1</u> /	•13 \$136.5	\$135.6	+ .04 45

1/ Totals may not add due to rounding

The committee specifically earmarked \$1,942 million for procurement of the B-1 bomber, as well as the \$302 million requested by President Reagan for research and development for the strategic manned penetrating bomber. Concurrent with the full-scale B-1 development, the Secretary of Defense was directed to continue ongoing research and development of an advanced technology bomber.

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The committee also left the President the option of transferring B-1 monies to the advanced technology bomber, if approved by Congress within 60 days.

This year's bill highlights procurement for the National Guard and Reserve forces through the addition of \$952.2 million, including the following designated for the Reserve components:

- -- \$70.0 million for 16 AH-1S Cobra/TOW helicopters
- -- \$155.1 million for 12 A-7K aircraft
- -- \$437 million for 40 additional F-16 aircraft
- -- \$172.1 million for 12 C-130H aircraft

As a result of continuing uncertainties in Trident negotiations, the committee deleted \$960.8 million, leaving \$330.7 million for long lead authorization for the tenth, eleventh, and twelfth Tridents.

The committee approved without change a number of ships in the President's submission, including the following:

- -- \$658 million for long lead for a CVN nuclear aircraft carrier
- -- \$971.9 million for 3 FFG-7 frigates
- -- \$158 million for reactivation of the battleship NEW JERSEY (BB-62)
- -- \$364 million for reactivation of the aircraft carrier ORISKANY (CV-34)

The President's request for 2 nuclear attack submarines (SSN-688) was increased to 3 at an additional cost of \$518.1 million. Also added were long lead money of \$100 million for procurement of an additional Aegis cruiser (CG-47) in fiscal year 1983 and a net increase of \$354 million for procurement of a Landing Ship Dock (LSD-41), plus \$73.3 million in long lead money for another LSD in fiscal year 1983, and \$130 million for long lead for a Helicopter Assault Carrier (LHA).

For Army missiles, the Administration's request was cut by a total of \$96.7 million. Among the reductions were \$116.7 million in the Roland missile, \$25.0 million in the PATRIOT missile, \$20.0 million in the Stinger missile, and \$10.0 in missile modifications. \$75.0 million was approved to begin procurement of a new lightweight air defense weapon, expected to be the Rapier missile.

The committee made these major changes in aircraft procurement:

Army Aircraft

- -- Added 20.9 million for procurement of 12 C-12D utility aircraft for the Army National Guard and Army Reserve
- -- Added \$70.0 million for 16 new AH-1S Cobra/TOW helicopters for the National Guard

- -- Added \$36.0 million for additional long lead funds for modification of 87 AH-1G helicopters to the AH-1S
- -- Cut \$37.4 million for 6 UH-60A helicopters
- -- Deferred \$6.6 million for a CH-47D modification

Navy Aircraft

- -- Added 500.4 million for 21 F/A-18 aircraft and long lead items for 24 additional F/A-18's in fiscal year 1983
- -- Added \$37.5 million for 6 used C-9's
- -- Added \$42.9 million for long lead items for 6 additional F-14's in fiscal year 1983
- -- Cut \$48.7 million for 6 SH-2F LAMPS I helicopters
- -- Cut \$12.2 million for 15 T-34C trainers

Air Force Aircraft

- -- Added \$155.1 million for 12 A-7K's
- -- Added \$362.9 million for 40 additional F-16's
- -- Added \$172.1 million for 12 C-130H's for the Guard and Reserve
- -- Added \$46.4 million for long lead items for 40 additional F-16's in fiscal year 1983, plus \$80 million for additional F-16 spares
- -- Added \$63.1 million for long lead items for 40 A-10's in fiscal year 1983
- -- Cut \$423.1 million for 12 F-115 aircraft (out of 42 requested)

For Army tracked combat vehicles, net reductions of \$17.8 million were approved, including cuts of \$9.8 million in the M2 Fighting Vehicle System and \$20.0 million in the M1 tank program.

The committee bill authorizes \$150 million for procurement of readily available wide-body aircraft for immediate augmentation of airlift forces. These funds, originally requested for R&D on the C-X, were transferred to the procurement account.

Research, Development, Test and Evaluation (RDT&E)

Out of several thousand RDT&E programs and projects in the fiscal year 1982 budget submission, the committee made approximately 100 adjustments, resulting in a net savings of \$1.1 billion. The \$20.2 billion RDT&E program recommended by the committee is 25 percent above fiscal year 1981 levels.

Both the MX missile system and its basing mode were approved by the committee at a cost of \$2.4 billion. Incorporated in the committee bill was language to ensure continuation of the Multiple Protective Structures basing mode unless the President submits an alternative basing mode and it is endorsed by Congress within 60 legislative days.

Other major actions in the RDT&E account were these:

- -- Deletion of \$238 million for the NAVSTAR Global Positioning System, terminating the program. (Also deleted was \$73.6 million for NAVSTAR in the procurement account.)
- -- Reduction of \$225.7 million in the Air Force request for the C-X Cargo Transport Aircraft, while retaining \$20 million to keep the option open for the future; as indicated above, \$150 million was transferred to procurement for a wide-body aircraft.
- -- Deletion of the Navy's entire request of \$121 million for development of a DDG-X ship

Operations and Maintenance (0 & M)

The committee approved \$63.3 million for the 0 & M account, an increase of 13 percent over last year. If the Administration's economic assumptions prove correct, the fiscal year 1982 0 & M request will zero out depot maintenance backlogs, dramatically reduce the backlog of real property maintenance, move and store badly needed war reserve material and ammunition, and substantially alleviate critical shortfalls in civilian personnel.

0 & M initiatives included:

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- -- \$149 million to enhance depot maintenance capabilities and increase logistical responsiveness
- -- \$20.3 million for improvements to the industrial base
- -- \$70.5 million to further reduce the backlog of real property maintenance and perform priority minor construction projects
- -- \$30.4 million to improve training through increased flying hours and aviator instructor programs
- -- \$20.4 million to increase combat medical stocks, correct critical shortages in certain medical specialties, and support improvements in the CHAMPUS program
- -- \$58 million to reduce serious unit equipment deficiencies in the Reserves and National Guard

In addition to specifically deleting the authorization (\$12.2 million) to contract out the military medical facilities at Chanute Air Force Base, Redstone Arsenal, and the Memphis Naval Hospital, the committee prohibited the use of any appropriations authorized pursuant to this bill for that purpose.

<u>Personnel</u>

The committee approved the President's request to increase active duty end strengths by 44,500; 300 extra spaces were included principally to permit the Navy to recall up to 200 reservists for a deployment to relieve pressure on the active force. The strength levels for fiscal year 1982 are these:

•	Administration Request	Committee Recommendation	Difference
Army	786,300	786,368	+ 68
Navy	554,700	554,900	+ 200
Marine Corps	192,100	192,100	- 0 -
Air Force	586,800	586,832	+ 32
	2,119,900	2,120,200	+ 300

Reserve strengths reflect the budget submission with two exceptions: the Coast Guard Selected Reserve and the Navy Selected Reserve were upped by 300 and 2,400 respectively, as indicated below:

	Administration Request	Committee Recommendation	Difference
Army National Guard	392,800	392,800	- 0 -
Army Reserve	235,300	235,300	- 0 -
Naval Reserve	87,600	90,000	+ 2,400
Marine Corps Reserve	37,600	37,600	- 0 -
Air National Guard	98,600	98,600	- 0 -
Air Force Reserve	62,800	62,800	-0-
Coast Guard Reserve	11,700	12,000	+ 300
	926,400	929,100	+ 2.700

Consistent with action in last year's authorization act, the committee imposed further quality controls on enlistment by barring all non-high school graduates who score in the lowest eligible mental category, Category IV. The Army would be required to achieve a minimum of 75 percent high school graduates among male recruits in fiscal year 1982. To enhance the quality of recruits, however, the 75 percent threshold could be reduced to a minimum of 65 percent if the Army were able to recruit 10 percent of its non-high school graduates from those with above-average test scores.

Believing that the current cap on the number of active-duty dependents stationed overseas adversely affects morale, the committee removed the present limitation.

On contracting out, the committee reaffirmed the procedures specified in current law, adding a requirement that a senior military commander certify that contracting out a function would not hurt mobilization capability.

Language was adopted revising the computation procedures for establishing fee schedules used to reimburse CHAMPUS claims resulting in reduced out-of-pocket expenditures for medical care for military families.

Civil Defense

In the area of Civil Defense, the committee added \$41.2 million to the President's request of \$132.8 million for a total authorization of \$174 million.

This year's Civil Defense title earmarks \$44 million for the state and local assistance program and strengthens the dual use policy. The measure stipulates that the \$174 million authorization is the first year of the comprehensive upgrade program known as D Prime, a seven-year funding effort to achieve a comprehensive population relocation capability for times of crisis.

General Provisions

In addition to the decisions previously listed, tentative appproval was given to a variety of general provisions.

- -- An amendment to the general provisions of the bill was adopted prohibiting the use of any 0 & M funds authorized in this measure to implement the Office of Management and Budget's Full-Time Equivalency System of monitoring the Defense Department's civilian workforce. The committee felt the FTE proposal would impair readiness by hampering the ability of depots and rework facilities to perform their workload in the most efficient manner.
- -- The committee approved language making other procurement and ammunition subject to annual authorization beginning with fiscal year 1983.
- -- As a result of hearings last year on the serious shortcomings of the Nation's industrial base, the committee adopted several changes in armed services procurement policies that would foster multiyear contracting. The committee also raised the cancellation liability ceiling to \$100 million to allow for economiclot buys of material and labor.
- -- Under the terms of a committee amendment, military equipment and facilities could be made available to federal drug agents as long as this did not interfere with military preparedness. This revision of the 1978 <u>Posse Comitatus</u> statute would also permit the military to provide federal civilian drug enforcement officers with any relevant information collected during the course of normal military operations.
- -- With respect to the Civil Reserve Air Fleet (CRAF), the committee language would accomplish the following:

- -- Authorize payment for modification of existing aircraft, as well as aircraft still in production
- -- Authorize indemnification of the owner of a modified aircraft if the sale price is less than the fair market value of a similar unmodified aircraft
- -- Authorize payment of operating costs, resulting from modification on other than a lump-sum basis

When the committee resumes on Tuesday, May 12, it will continue consideration of possible repeal of the Vinson-Trammel Act. Final action on the remaining general provisions and approval of the overall bill are expected to be completed at that time.